

**SETTLEMENT AGREEMENT BETWEEN**  
**MISSOURI REAL ESTATE COMMISSION AND CENTRAL STATES RENTAL & MANAGEMENT LLC**  
**AND WALTER IMAN**

Come now Central States Rental & Management, LLC, dba Central States Leasing & Management ("Central States") and Walter Iman ("Iman") (collectively "Licensees") and the Missouri Real Estate Commission ("Commission") and enter into this settlement agreement for the purpose of resolving the question of whether Central State's licensed as a real estate association and Iman's license as a real estate broker associate will be subject to discipline.

Pursuant to the terms of § 536.060, RSMo,<sup>1</sup> the parties hereto waive the right to a hearing by the Administrative Hearing Commission of the State of Missouri ("AHC") regarding cause to discipline the Licensees' licenses, and, additionally, the right to a disciplinary hearing before the Commission under § 621.110, RSMo.

Licensees Central States and Iman acknowledge that they understand the various rights and privileges afforded them by law, including the right to a hearing of the charges against them; the right to appear and be represented by legal counsel; the right to have all charges against them proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing at the hearing against them; the right to present evidence on their own behalf at the hearing; the right to a decision upon the record by a fair and impartial administrative hearing commissioner concerning the charges pending against them and, subsequently, the right to a disciplinary hearing before the Commission at which time they may present evidence in mitigation of discipline; and the right to recover attorney's fees incurred in defending this action against their licenses. Being aware of these rights provided them by operation of law, Central States and Iman knowingly and voluntarily waive each and every one of these rights and freely enter into this settlement agreement and agree to abide by the terms of this document, as they pertain to them.

Central States and Iman acknowledge that they have received a copy of the documents relied upon by the Commission in determining there was cause to discipline their licenses, along with citations to law and/or regulations the Commission believes were violated.

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<sup>1</sup> All statutory references are to Missouri Revised Statutes 2000, as amended, unless otherwise indicated.

For the purpose of settling this dispute, Central States and Iman stipulate that the factual allegations contained in this settlement agreement are true and stipulates with the Commission that their licenses, numbered 2011035246 (Central States) and 1999034035 and 1999144124 (Iman) are subject to disciplinary action by the Commission in accordance with the provisions of Chapter 621 and §§ 339.010-339.205 and 339.710-339.855, RSMo.

Joint Stipulation of Fact and Conclusions of Law

1. The Commission is an agency of the state of Missouri created and established pursuant to § 339.120, RSMo, for the purpose of licensing all persons engaged in the practice as a real estate broker or salesperson in this state. The Commission has control and supervision of the licensed occupations and enforcement of the terms and provisions of Sections 339.010-339.205 and 339.710-339.855, RSMo.

2. Licensee, Central States, holds a real estate association license from the Commission, license number 2011035246. The Commission issued Central States' license on October 18, 2011 and it expires June 30, 2016. Licensee's license was current and active at all relevant times herein. Licensee Walter Iman is the designated broker for Central States.

3. Licensee, Walter Iman, holds a broker associate license from the Commission, license number 1999034035. The Commission issued Iman's broker associate license on October 18, 2011. Licensee's license expired June 30, 2016. Licensee Iman's license was current and active at all relevant times herein. Iman also holds a second broker associate license, license number 1999144124. The Commission issued this broker associate license on December 29, 1999. It was also current and active at all times relevant herein. Licensee Iman has submitted the renewal application for both broker associate licenses. However, license number 1999034035 cannot be renewed because Licensee has not submitted the renewal application for Central States or filed paperwork to transfer the broker associate license to another real estate entity.

4. Between April 2 and 29, 2014, the Commission conducted an audit of Licensee. The Commission's audit revealed:

- a. In violation of sections 339.100.2(3) and 339.790.2, RSMo, Licensee Iman failed to account for monies which belonged to others.
- b. In violation of section 339.100.2(19), RSMo, on four instances, Licensee Iman failed to maintain accurate owner's statements.

- c. In violation of section 339.105.1, RSMo, there was a net shortage in the property management account, account number ending 1970 ("Account 1970") which could be partially identified including: \$180 for a deposit booked for less than actually deposited; \$200 for owner contribution not booked; and \$775 for managing without an agreement for a total identified overage of \$1,155. The identified shortages included: \$7.50 for a check cleared for more than booked; \$.60 for an incorrect management fee, \$50.25 for a check cleared for different than the amount booked; \$41.50 for invoice paid but not booked to the owner; \$3,125.93 for negative owner balances; and \$147.78 for bank service fees for total identified shortages of \$3,373.56. This resulted in a net unidentified shortage of \$2,178.66.
- d. In violation of section 339.105.1, RSMo, there was a shortage in the security deposit escrow account, account number ending 1962 ("Account 1962") that could only be partially identified. There were no unidentified overages. There were identified shortages including: three instances of \$450 each for deposits refunded twice; \$25 for an overpayment of deposit; and \$40 for an overpayment of deposit for a total of \$1,415.00 in identified shortages. Overall, there was an unidentified shortage in the amount of \$761.25.
- e. In violation of section 339.105.1, RSMo, on two instances there were temporary shortages in the property management escrow account due to negative owner balances.
- f. In violation of section 339.105.1, RSMo, on numerous instances, there were temporary overages in the property management escrow account due to managing without an agreement.
- g. In violation of section 339.105.3, RSMo, Licensee Iman failed to maintain sufficient records to determine the adequacy of cash receipts deposited to the escrow account.
- h. In violation of sections 339.720.1 and 339.780.6, RSMo, and regulation 20 CSR 2250-8.090(6)(A)5, the transaction brokerage agreement did not specify the licensee's duties and responsibilities.
- i. In violation of section 339.730.1(1), RSMo, on two instances, Licensee Iman failed to perform the terms of the written agreement with the landlord in that he failed to collect the rents after the first month.

- j. In violation of section 339.730.1(1), Licensee Iman failed to perform the terms of the written agreement with the landlord in that the incorrect management fee was taken.
- k. In violation of section 339.780.2, RSMo, and regulation 20 CSR 2250-8.090(9)(B), on two instances, the management agreement did not state when the fee or commission would be paid.
- l. In violation of section 339.780.2, RSMo, and regulation 20 CSR 2250-8.200(1), for six properties, Licensee Iman's managed property without an agreement (properties at 719 Taylor, 523 Woodland, 609 S. Fourth, 628 S. Fifth, 625 S. Clark and 1226 Myra).
- m. In violation of section 339.780.6, RSMo, on three instances, the licensee who acted as a transaction broker received compensation from the party he/she assisted without entering into a written transaction brokerage agreement because the agreement was expired.
- n. In violation of section 339.780.7, RSMo, one of the brokers' exclusive transaction brokerage agreement did not specify the broker's required minimum services.
- o. In violation of regulation 20 CSR 2250-4.030(1), a copy of the fictitious name registration was not timely furnished to the Commission.
- p. In violation of regulations 20 CSR 2250-4.030(1) and 8.010(2), Licensee Central States' brokerage sign did not bear the name under which the brokerage is licensed and the fictitious name was not registered with the Missouri Secretary of State.
- q. In violation of regulation 20 CSR 2250-8.090(6)(A)8, a transaction brokerage agreement did not properly identify the property in that it did not include an address.
- r. In violation of regulation 20 CSR 2250-8.090(6)(A)10, a transaction brokerage agreement did not specify whether or not the designated broker was authorized to cooperate with and compensate other designated brokers.
- s. In violation of regulation 20 CSR 2250-8.090(6)(A)11, a transaction brokerage agreement failed to contain a statement which confirms the landlord received a Broker Disclosure Form.
- t. In violation of regulation 20 CSR 2250-8.090(9)(A), the management agreement did not properly identify the property in that it did not include the address.

- u. In violation of regulation 20 CSR 2250-8.090(9)(C), one two instances, the management agreement did not specify whether security deposits or prepaid rents would be held by the broker or the owner.
- v. In violation of regulation 20 CSR 2250-8.090(9)(H), on six instances, four of which related to Licensee Iman, the management agreement did not include a statement which permitted or prohibited the licensee from acting as a dual agent.
- w. In violation of regulation 20 CSR 2250-8.096(1)(A)3, on 18 instances, the written brokerage relationship disclosure did not confirm that the brokerage relationships were disclosed to the landlord or tenant or their respective agents and/or transaction brokers no later than the first showing, upon first contact or immediately upon the occurrence of any change to that relationship.
- x. In violation of regulation 20 CSR 2250-8.096(1)(A)5, the written brokerage relationship disclosure was not signed or dated by the tenant.
- y. In violation of regulation 20 CSR 2250-8.096(1)(A)5, on six instances, the written brokerage relationship disclosure was not signed or dated by the landlord.
- z. In violation of regulation 20 CSR 2250-8.096(1)(A)6, on two instances, the written brokerage relationship disclosure was not dated by the disclosing licensee.
- aa. In violation of regulation 20 CSR 2250-8.160(2), on ten instances, the broker failed to retain records relating to property management including voided checks and a paid invoice.
- bb. In violation of regulation 20 CSR 2250-8.220(1), on eight instances, Licensee Iman disbursed funds from the property management escrow account when the owner's account balance was not sufficient to cover the disbursements.
- cc. In violation of regulations 20 CSR 2250-8.200(1) and 8.220(2), on four instances, Licensee Iman held owner funds in the security deposit account without written authorization from the owner.
- dd. In violation of regulation 20 CSR 2250-8.220(2), on 15 instances, Licensee Iman held security deposits in the property management escrow account without written authorization from the owner.

- ee. In violation of regulation 20 CSR 2250-8.220(8), on two instances, Licensee Iman failed to indicate the related transaction on each check written, the corresponding check stub or other record of disbursement.
- ff. In violation of regulation 20 CSR 2250-8.220(8), on two instances, Licensee Iman failed to indicate the related transaction on each deposit ticket for the property management escrow account.

5. In November and December 2015, the Commission conducted a re-audit of Licensees. The relevant period for the re-audit was November 1, 2014 to October 31, 2015. Licensee Iman ceased property management activities on October 1, 2015. The Commission's audit revealed the following violations:

- a. In violation of section 339.100.2(3), RSMo, on three instances Iman failed to remit monies which belonged to others due to inaccurate owner statements.
- b. In violation of section 339.100.2(19), RSMo, on 67 instances, Licensees produced inaccurate owner's statements due in part to property management software the Licensees used not accounting for withdrawals from security deposit account.
- c. In violation of section 339.105.1, RSMo, on 19 instances, Licensee comingled funds in the property management escrow account, account number ending 1970 ("Account 1970") including 8 instances of not removing application fees and 11 instances of paying brokerage expenses from the account.
- d. In violation of section 339.105.1, RSMo, there was a partially identifiable net overage of \$688.75 in Account 1970. The investigation revealed the following identified overages in the account: \$430 due to owners on properties no longer managed; \$5,921.50 due to funds deposited but not booked; \$120 due to application fees deposited but not booked; and \$240 due to application fees not removed. This resulted in identified overages of \$6,711.50. The investigation revealed the following shortages in the account: \$5,250 due to funds booked but not deposited; \$20 due to non-sufficient check charges not booked; \$329.45 due to brokerage expenses paid from escrow; and \$831.65 due to overpayments to owners for a total identified shortage of \$7,441.00. Overall, this left an unidentified overage of \$1,419.35.

- e. In violation of section 339.105.1, RSMo, there were temporary shortages in Account 1970 on two instances; the first between March 9 and March 11, 2105 in the amount of \$1,650 and the second between September 30 and October 5, 2015 in the amount of \$280.00
- f. In violation of section 339.105.1, RSMo, there was a net overage of \$1,011.04 in the security deposit escrow account, account number ending 1962 ("Account 1962") which the Commission could only partly identify. There was an identified overage in the amount of \$1.52 due to security deposit owed to a tenant. Additionally, there were identified shortages of \$100 due to a check clearing for an amount different than posted; \$400 due to security deposit being paid twice to one owner and \$890 due to a deposit posting twice. This left an unidentified overage of \$2,399.52 for Account 1962.
- g. In violation of section 339.105.3, RSMo, and regulation 20 CSR 2250-8.160(2), Licensee Iman did not make available to the Commission all records necessary to determine the adequacy of deposits to the property management account. Licensee failed to provide all ACH transaction detail which was only contained within his Internet-based accounting software. However, Licensee's internet connection was not sufficient to allow him to provide all requested records within the span of the audit. This occurred on six instances.
- h. In violation of section 339.730.1(1), RSMo, Licensee Iman failed to perform the terms of the written agreement with the landlord on 26 instances. On four instances, Licensee Iman charged management fees under the amount agreed; on 7 instances, Licensee Iman held security deposits that should have been held by the owner; and on 15 instances, Licensee Iman collected management fees in excess of the fees authorized by the agreement.
- i. In violation of section 339.780.2, RSMo, and regulation 20 CSR 2250-8.090(9)(B), on five instances, the management agreement did not fully state the amount of the fee or commission to be paid.
- j. In violation of regulation 20 CSR 2250-8.090(2), Licensee Iman showed residential property for lease without a currently effective written listing agreement or other written agreement for brokerage services.

- k. In violation of regulation 20 CSR 2250-8.090(9)(A), on six instances, the management agreement did not properly identify the property, excluding the street or city.
- l. In violation of regulation 20 CSR 2250-8.090(9)(C), on two instances, the management agreement did not specify whether security deposits and prepaid rents would be held by the broker or owner.
- m. In violation of regulation 20 CSR 2250-8.090(9)(H), on six instances, the management agreement did not include a statement which permits or prohibits the licensee from acting as a dual agent.
- n. In violation of regulation 20 CSR 2250-8.090(9)(J), on four instances, the management agreement did not specify whether or not the designated broker was authorized to cooperate with and compensate other designated brokers.
- o. In violation of regulation 20 CSR 2250-8.090(9)(L), the management agreement did not contain the signature of the owner or their authorized agents.
- p. In violation of regulation 20 CSR 2250-8.096(1)(A)2, the written brokerage relationship disclosure did not identify the source or sources of compensation.
- q. In violation of regulation 20 CSR 2250-8.096(1)(A)5, on four instances, the written brokerage relationship disclosure was not signed and/or dated by the landlord and/or tenant.
- r. In violation of regulation 20 CSR 2250-8.097(2) the broker disclosure form did not mirror the written office policy on brokerage relationships (office policy authorized the seller's agent, landlord's agent, buyer's agent, tenant's agent, subagent, transaction broker and/or other possible agency relationships while the form only showed transaction broker.
- s. In violation of regulation 20 CSR 2250-8.160(2), the broker failed to retain records on nine instances including seven instances of owner statements, one voided check on Account 1970 and one vendor invoice.
- t. In violation of regulation 20 CSR 2250-8.220(1), on six instances, the broker disbursed funds from the property management escrow account, Account 1970, when the owner's account balance was not sufficient to cover the disbursements. Four of the instances were due to inaccurate owner statements.



- u. In violation of regulation 20 CSR 2250-8.220(1), the broker disbursed funds from the security deposit escrow account, Account 1962, when the owner's account balance was not sufficient to cover the disbursement due to a ledger error in which the security deposit was listed and paid to the owner twice.
  - v. In violation of regulation 20 CSR 2250-8.220(8), on four instances, the related transaction was not indicated on each deposit ticket for Account 1970.
6. The Commission's 2015 audit also revealed:
- a. Six management agreements were examined for compliance in the initial audit of Licensees. The same six agreements were examined in the re-audit to determine if the corrections suggested in the initial audit were made. Two management agreements were no longer in effect as of November 1, 2014.
  - b. Two management agreements were still in effect. The agreements were the same agreements examined in the first audit and no corrections had been made.
  - c. Two agreements had been replaced but were still not compliant. The new agreements did not fully state the amount of fees or commissions to be paid and did not include statements which permit or prohibit the licensee from acting as a dual agent as required by regulation. The BDK Properties, LLC management agreement also did not specify whether the designated broker was authorized to cooperate with and compensate other designated brokers. The Boswell management agreement also did not contain the signature of the owner or their authorized agents.
7. Section 339.040.1, RSMo, states, in relevant part:
1. Licenses shall be granted only to persons who present, and corporations, associations, limited liability companies, and professional corporations whose officers, managers, associates, general partners, or members who actively participate in such entity's brokerage, broker-salesperson, or salesperson business present, satisfactory proof to the commission that they:
- (1) Are persons of good moral character; and
  - (2) Bear a good reputation for honesty, integrity, and fair dealing; and
  - (3) Are competent to transact the business of a broker or broker salesperson in such a manner as to safeguard the interest of the public.

8. Section 339.105, RSMo, states, in relevant part:

1. Each broker who holds funds belonging to another shall maintain such funds in a separate bank account in a financial institution which shall be designated an escrow or trust account. This requirement includes funds in which he or she may have some future interest or claim. Such funds shall be deposited promptly unless all parties having an interest in the funds have agreed otherwise in writing. No broker shall commingle his or her personal funds or other funds in this account with the exception that a broker may deposit and keep a sum not to exceed one thousand dollars in the account from his or her personal funds, which sum shall be specifically identified and deposited to cover service charges related to the account.

...

3. In conjunction with each escrow or trust account a broker shall maintain books, records, contracts and other necessary documents so that the adequacy of said account may be determined at any time. The account and other records shall be provided to the commission and its duly authorized agents for inspection at all times during regular business hours at the broker's usual place of business.

9. Section 339.720.1, RSMo, states, in relevant part:

A licensee's general duties and obligations arising from the limited agency relationship shall be disclosed in writing to the seller and the buyer or to the landlord and the tenant pursuant to sections 339.760 to 339.780. Alternatively, when engaged in any of the activities enumerated in section 339.010, a licensee may act as an agent in any transaction in accordance with a written agreement as described in section 339.780.

10. Section 339.730.1(1), RSMo, states, in relevant part:

1. A licensee representing a seller or landlord as a seller's agent or a landlord's agent shall be a limited agent with the following duties and obligations:

- (1) To perform the terms of the written agreement made with the client[.]

11. Section 339.780, RSMo, states, in relevant part:

2. Before engaging in any of the activities enumerated in section 339.010, a designated broker intending to establish a limited agency relationship with a seller or landlord shall enter into a written agency agreement with the party to be represented. The agreement shall include a licensee's duties and responsibilities specified in section 339.730 and the terms of compensation and shall specify whether an offer of subagency may be made to any other designated broker.

...

6. A designated broker who intends to act as a transaction broker and who expects to receive compensation from the party he or she assists shall enter into a written transaction brokerage agreement with such party or parties contracting for the broker's service. The transaction brokerage agreement shall include a licensee's duties and responsibilities specified in section 339.755 and the terms of compensation.

7. All exclusive brokerage agreements shall specify that the broker, through the broker or through one or more affiliated licensees, shall provide, at a minimum, the following services:

- (1) Accepting delivery of and presenting to the client or customer offers and counteroffers to buy, sell, or lease the client's or customer's property or the property the client or customer seeks to purchase or lease;
- (2) Assisting the client or customer in developing, communicating, negotiating, and presenting offers, counteroffers and notices that relate to the offers and the counteroffers until a lease or purchase agreement is signed and all contingencies are satisfied or waived; and
- (3) Answering the client's or customer's questions relating to the offers, counteroffers, notices, and contingencies.

12. Section 339.790.2, RSMo, states, in relevant part:

A real estate broker and an affiliated licensee owe no further duty or obligation after termination, expiration, completion or performance of the brokerage agreement, except the duties of:

- (1) Accounting in a timely manner for all money and property related to, and received during the relationship; and
- (2) Treating as confidential information provided by the client during the course of the relationship that may reasonably be expected to have a negative impact on the client's real estate activity unless:
  - (a) The client to whom the information pertains grants written consent;
  - (b) Disclosure of the information is required by law;
  - (c) The information is made public or becomes public by the words or conduct of the client to whom the information pertains or from a source other than the real estate brokerage or the affiliated licensee; or
  - (d) Disclosure is necessary to defend the designated broker or an affiliated licensee against an action of wrongful conduct in an administrative or judicial proceeding or before a professional committee.

13. Regulation 20 CSR 2250-4.030(1) states, in relevant part:

Any broker doing business under any name other than the broker's legal name or entity doing business under any name other than the name registered with the secretary of state, shall first comply with the

provisions of sections 417.200 – 417.230, RSMo on the registration of fictitious names and shall furnish the commission a copy of the registration within ten (10) days of receipt of the official registration from the secretary of state.

14. Regulation 20 CSR 2250-8.010(2) states, in relevant part:

A broker's business sign of sufficient size to identify it and bearing the name under which the broker or the broker's firm is licensed, or the regular business name, shall be displayed outside of the broker's regular place of business.

15. Regulation 20 CSR 2250-8.090 states, in relevant part:

...

(2) A licensee shall not show residential property unless a broker holds a currently effective written seller's/lessor's agreement, seller's/lessor's transaction broker agreement, or other written authorization to show.

...

(6) Transaction Brokerage Agreement Between Broker and Seller/Lessor

- (A) Every written seller's or lessor's transaction brokerage agreement shall contain all of the following:

5. The licensee's duties and responsibilities;

...

8. The legal description or the complete street address of the property, which includes the city where the property is located; or, in the absence of a legal description or address, a clear description which unmistakably identifies the property;

...

10. Specification of whether or not the designated broker is authorized to cooperate with and compensate other designated brokers acting pursuant to any other brokerage relationship as defined by 339.710 to 339.860, RSMo, including but not limited to buyer's agents and/or other transaction brokers; and

11. A statement which confirms that the seller/lessor received the Broker Disclosure Form prescribed by the commission: a) on or before the signing of the transaction brokerage agreement, or b) upon the licensee obtaining any personal or financial information, whichever occurs first.

...

(9) Every written property management agreement or other written authorization between a broker and the owners of the real estate shall:

(A) Identify the property to be managed;

(B) State the amount of fee or commission to be paid and when the fee or commission will be paid;

(C) Specify whether security deposits and prepaid rents will be held by the broker or the owner;

...

(H) Contain a statement which permits or prohibits the designated broker and/or affiliated licensee from acting as a disclosed dual agent and if permitted, the duties and responsibilities of a dual agent;

...

(J) Include specification of whether or not the designated broker is authorized to cooperate with and compensate other designated brokers acting pursuant to any other brokerage relationship as defined by sections 339.710 to 339.860, RSMo, including but not limited to tenant's agents and/or transaction brokers;

...

(L) Contain the signatures of all the owners and the broker or affiliated licensee as authorized by the broker[.]

16. Regulation 20 CSR 2250-8.096 states, in relevant part:

(1) Licensees acting with or without a written agreement for brokerage services pursuant to sections 339.710 to 339.860, RSMo, are required to have such relationships confirmed in writing by each party to the real estate transaction on or before such party's first signature to the real estate contract. Nothing contained herein prohibits the written confirmation of brokerage relationships from being included or incorporated into the real estate contract, provided that any addendum or incorporated document containing the written confirmation must include a separate signature section for acknowledging the written confirmation that shall be signed and dated by each party to the real estate transaction.

(A) Written confirmation must –

...

1. Identify the source or sources of compensation;

...

3. Confirm that the broker relationships, if required by rule or regulation, were disclosed to the seller/landlord

and/or buyer/tenant or their respective agents and/or transaction brokers no later than the first showing, upon first contact, or immediately upon the occurrence of any change to that relationship;

...

5. Be signed and dated by the seller/landlord and buyer/tenant. If the landlord has entered into a written property management agreement pursuant to 20 CSR 2250-8.200 – 20 CSR 2250-8.210, the landlord shall not be required to sign the written confirmation;

6. Be signed and dated by the disclosing licensees on or before the contract date. If a landlord's agent or transaction broker is conducting property management pursuant to 20 CSR 2250-8.200 – 20 CSR 2250-8.210, the unlicensed office personnel may, in the performance of the duties enumerated in 339.010.5(5)(a)-(e), sign the written confirmation on behalf of the landlord's agent or transaction broker.

17. Regulation 20 CSR 2250-8.097(2) states, in relevant part:

...

(2) The brokerage relationship marked as offered on the Broker Disclosure Form shall correspond to the written office policy adopted by the designated broker pursuant to 339.760.1, RSMo.

18. Regulation 20 CSR 2250-8.160(2) states, in relevant part:

Every broker shall retain for a period of at least three (3) years true copies of all property management agreements, correspondence or other written authorization relating to each real estate transaction relating to leases, rentals or management activities the broker has handled. The broker must also retain all business books, accounts and records unless these records are released to the owner(s) or transferred to another broker by written detailed receipt or transmittal letter agreed to in writing by all parties to the transaction.

19. Regulation 20 CSR 2250-8.200(1) states, in relevant part:

When managing property a licensee shall not rent or lease, offer to rent or lease, negotiate, or offer or agree to negotiate, the rent or lease, list or offer to list for lease or rent, assist or direct in procuring of prospects calculated to result in the lease or rent, assist or direct in the negotiation of any transaction calculated or intended to result in the lease or rent, or show that property to prospective renters or leases unless the licensee's broker holds a current written property management agreement or other written authorization signed by the owner of the real estate or the owner's authorized agent.

20. Regulation 20 CSR 2250-8.220 states, in relevant part:

(1) A broker shall establish and maintain a separate escrow account(s), to be designated as a property management escrow account(s), for the deposit of current rents and money received from the owner(s) or on the owner's(s') behalf for payment of expenses related to property management. Before making disbursements from a property management escrow account, a broker shall ensure that the account balance for that owner's(s') property(ies) is sufficient to cover the disbursements.

(2) All security deposits held by a broker shall be maintained, intact, in an escrow account other than the property management account(s), pursuant to section 339.105, RSMo, unless the owner(s) have agreed otherwise in writing.

...

(8) Each check written on an escrow account, or each corresponding check stub, or other record of disbursement of funds from the account and each deposit ticket shall indicate the related transaction. Each check written on an escrow account for licensee fees or commission shall be made payable to the licensee who is owed the fee or commission or to the firm's general operating account.

21. Licensees' conduct, as described in paragraphs 3 through 6 above, constitutes cause to discipline Licensees' licenses.

22. Cause exists for the Commission to take disciplinary action against Licensees' licenses under § 339.100.2(3), (15), (16) and (19), RSMo, which states in pertinent part:

2. The Commission may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621, RSMo, against any state-certified real estate appraiser, state-licensed real estate appraiser, or any person who has failed to renew or has surrendered his or her certificate or license for any one or any combination of the following causes:

...

(3) Failing within a reasonable time to account for or to remit any moneys, valuable documents or other property coming into his or her possession which belongs to others;

...

(15) Violation of, or attempting to violate, directly or indirectly, or assisting or enabling any person to violate, any provision of sections 339.010 to 339.180 and sections 339.710 to 339.860\*, or any lawful rule adopted pursuant to sections 339.010 to 339.180 and sections 339.710 to 339.860\*;

(16) Committing any act which would otherwise be grounds for the commission to refuse to issue a license under section 339.040;

...

(19) Any other conduct which constitutes untrustworthy, improper or fraudulent business dealings, demonstrates bad faith or incompetence, misconduct, or gross negligence[.]

Joint Agreed Disciplinary Order

23. Based upon the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the Commission in this matter under the authority of §§ 536.060, 621.045.4 and 621.110, RSMo.

24. The terms of discipline shall include **Licensees' licenses shall be placed on a period of probation for two (2) years.** Licensees' licenses are hereby placed on two (2) years' probation. During the period of **probation** on their licenses, Licensees shall be entitled to practice as a real estate association and real estate broker associate provided they adhere to all the terms stated herein. The period of probation shall constitute the "disciplinary period."

25. **Terms and conditions of the disciplinary period.** Terms and conditions of the disciplinary period are as follows:

Specific Terms

a. During the period of probation, Iman shall be prohibited from managing property on behalf of himself or his brokerage.

General Terms

a. Licensees shall keep the MREC apprised at all times in writing of their current addresses and telephone numbers at each place of residence and business. Licensees shall notify the MREC in writing within ten days of any change in this information.

b. Licensees shall timely renew Licensees' licenses, timely pay all fees required for license renewal, and comply with all other requirements necessary to maintain their licenses in a current and active state. During the disciplinary period, Licensees shall not place their licenses on inactive status as would otherwise be allowed under 20 CSR 2250-4.050. Alternatively, without violating the terms and conditions of this Settlement Agreement, Licensees may surrender their real estate licenses by submitting a letter to the MREC. If Licensees apply for a real estate license after surrender, Licensees shall be required to requalify as if original applicants. Licensees would have to apply as an original



applicant for a salesperson license. The MREC will not be precluded from basing its decision, wholly or partially, on the findings of fact, conclusions of law, and discipline set forth in this Settlement Agreement.

c. Licensees shall meet in person with the MREC or its representative at any such time and place as required by the MREC or its designee upon notification from the MREC or its designee. Said meetings will be at the MREC's discretion and may occur periodically during the probation period.

d. Licensees shall immediately submit documents showing compliance with the requirements of this Order to the MREC when requested by the MREC or its designee.

e. During the probationary period, Licensees shall accept and comply with unannounced visits from the MREC's representatives to monitor compliance with the terms and conditions of this Order.

f. Licensees shall comply with all relevant provisions of Chapter 339, RSMo, as amended; all rules and regulations of the MREC; and all local, state, and federal laws. "State" as used herein refers to the State of Missouri and all other states and territories of the United States.

g. Licensees shall report to the MREC each occurrence of Licensees' being finally adjudicated and found guilty, or entering a plea of guilty or nolo contendere, in a state or federal criminal prosecution, to felony or misdemeanor offenses, within ten business days of each such occurrence.

26. This Agreement does not bind the Commission or restrict the remedies available to it concerning facts or conduct not specifically mentioned in this Agreement that are either now known to the Commission or may be discovered.

27. This Agreement does not bind the Commission or restrict the remedies available to it concerning any future violations by Licensee of Chapter 339, RSMo, as amended, or the regulations promulgated thereunder, or of the terms of this Agreement.

28. All parties agree to pay all their own fees and expenses incurred as a result of this case, its settlement or any litigation.

29. The parties to this Agreement understand that the Missouri Real Estate Commission will maintain this Agreement as an open record of the Commission as provided in Chapters 339, 610 and 324, RSMo.

30. The terms of this settlement agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise provided herein, neither this settlement agreement nor any of its provisions may be changed, waived, discharged, or terminated, except by an instrument in writing signed by the party against whom the enforcement of the change, waiver, discharge, or termination is sought.

31. Licensees, together with Licensees' heirs and assigns, and Licensees' attorneys, do hereby waive, release, acquit and forever discharge the Commission, its respective members and any of its employees, agents, or attorneys, including any former Commission members, employees, agents, and attorneys, of, or from, any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including but not limited to, any claims for attorney's fees and expenses, including any claims pursuant to § 536.087, RSMo, or any claim arising under 42 U.S.C. § 1983, which may be based upon, arise out of, or relate to any of the matters raised in this case, its settlement, or from the negotiation or execution of this settlement agreement. The parties acknowledge that this paragraph is severable from the remaining portions of this settlement agreement in that it survives in perpetuity even in the event that any court of law deems this settlement agreement or any portion thereof to be void or unenforceable.

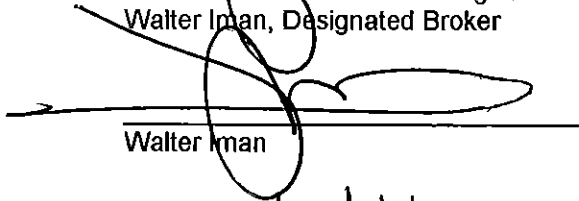
32. If no contested case has been filed against Licensees, Licensees have the right, either at the time the settlement agreement is signed by all parties or within fifteen days thereafter, to submit the agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties to the settlement agreement constitute grounds for denying or disciplining the licenses of Licensees. If Licensees desire the Administrative Hearing Commission to review this Agreement, Licensees may submit this request to: **Administrative Hearing Commission, Truman State Office Building, Room 640, 301 W. High Street, P.O. Box 1557, Jefferson City, Missouri 65101.**

33. If Licensees have requested review, Licensees and Commission jointly request that the Administrative Hearing Commission determine whether the facts set forth herein are grounds for disciplining Licensees' licenses and issue findings of fact and conclusions of law stating that the facts agreed to by the parties are grounds for disciplining Licensees' licenses. Effective the date the Administrative Hearing

Commission determines that the agreement sets forth cause for disciplining Licensees' licenses, the agreed upon discipline set forth herein shall go into effect. If the Administrative Hearing Commission issues an order stating that the Settlement Agreement does not set forth cause for discipline, then the Commission may proceed to seek discipline against Licensees as allowed by law. If the Licensees do not submit the agreement to the Administrative Hearing Commission for determination, the agreement shall become effective fifteen (15) days following the signature of the Commission's Executive Director.

**LICENSEES**

  
\_\_\_\_\_  
Central States Rental & Management LLC  
Walter Iman, Designated Broker

  
\_\_\_\_\_  
Walter Iman

Date

12/13/16

**COMMISSION**

  
\_\_\_\_\_  
Terry Moore  
Executive Director  
Missouri Real Estate Commission

Date

01-05-16